



State of Louisiana
DIVISION OF ADMINISTRATION

OFFICE OF STATE UNIFORM PAYROLL

M. J. "MIKE" FOSTER, JR.
GOVERNOR

July 1, 2002

MARK C. DRENNEN
COMMISSIONER OF ADMINISTRATION

OFFICE OF STATE UNIFORM PAYROLL MEMORANDUM #2003-01

TO: All ISIS HR Paid Agencies

FROM: Jena W. Cary
Director

SUBJECT: Colonial MSK/30013 Non Approved Policies Sold to State Employees

The Office of State Uniform Payroll (OSUP) conducted the annual review of vendor applications and discovered that Colonial has been selling policies (a Cancer & an Accident/Disability policy) that were not authorized for payroll deduction. OSUP has made the decision, with the approval of the Office of Group Benefits, to allow employee's in the Flexible Benefits Plan (FBP) to select another approved Cancer policy and be set up under the FBP.

OSUP has requested a list from Colonial of all employees affected. New Payroll Deduction Authorization forms (SED-4 forms) are to be prepared by Colonial and forwarded to each agency along with a sample copy of the letter that is to be sent to the employees. The employee's signature is not required on the SED-4 form to stop the non approved policy deduction, although every effort should be made to inform the employee of this change. All other approved Colonial policies the employee may have should be listed. Agencies must compare the last SED-4 on file (or ISIS HR deduction information) to the new SED-4 for verification of other product deductions.

Agencies should have all deduction maintenance or delimits entered by payroll close on Monday July 8, 2002, for the July 12, 2002 payday to avoid refunds after the plan year has begun. Entries completed after July 8th should be retroactive from pay period beginning June 24, 2002 in order for deductions to be refunded correctly. Refer to ISIS HR Help for dates to use when maintaining or delimiting recurring deductions.

A sample letter to the employees is attached for agencies to inform the employee of the non approved policies as well as their options under the FBP.

If you have any questions about this situation, please contact Angel Vernon at (225) 342-5344.

JWC:ACV:kmb

Attachment

c: Ray Harrison, OGB

MEMORANDUM

TO: All State Employees of ISIS HR Paid Agencies

SUBJECT: Colonial MSK/30013 Non Approved Policies Sold to State Employees

The Office of State Uniform Payroll has informed this agency that Colonial has been selling a Cancer and an Accident/Disability policy that was not approved for payroll deduction. The 2 policies are the Cancer CANMOD-LA policy and the Accident/Disability ENHANCE-LA policy. If you have either of these policies, you should receive a letter from Colonial indicating that the deduction will discontinue being payroll deducted effective July 2002 and alternative methods of payment that will be available should you choose to keep the policy.

If you are participating in the Flexible Benefits Plan (FBP) and you had this Cancer policy, you will be allowed to select another approved vendor's Cancer product and have this deduction sheltered under the FBP. If you are not participating in the FBP, you may select another approved vendor's Cancer or Accident/Disability product to be payroll deducted. To view the approved products, you can go to the Office of State Uniform Payroll's website at <http://www.doa.state.la.us/osup/osup.htm> and select the "For State Employees" link and then the "Miscellaneous Vendors/Products" link.

If you have any questions, please contact ????? at ????? of your agency's Employee Administration Department.